

Outpatient Prospective Payment System (OPPS) Project Update - January 2006

In order to ensure that MDCH, MHPs and hospitals have sufficient time to develop and test their systems, the MDCH OPPS implementation date has been changed to October 1, 2006.

Release of the draft policy related to the MDCH OPPS implementation is on hold as we continue to research, analyze, and make policy decisions related to coverage, billing, and reimbursement differences between Medicaid and Medicare.

Other OPPS Implementation Project Updates:

- 1) MDCH has recently contracted with Ms. Claudia Birkenshaw, a billing consultant, to assist in several critical policy and coverage decision areas. Ms. Birkenshaw's knowledge of the Medicare OPPS, as well as MDCH's current OPH coverage and reimbursement policies will be especially helpful in this endeavor.
- 2) In order to facilitate dialogue between MDCH and the hospitals and health plans as we work through key policy decisions and differences between Medicaid and Medicare, we will also be sending out weekly e-mails identifying policy development areas that we are working on and requesting feedback and comments from all members of the workgroup.
- 3) MDCH continues to make progress with the system modifications and integration testing of the APC software. As soon as the integration testing is complete and we are ready to begin accepting test files, we will distribute the B2B test file instructions so that providers may begin submitting their test APC files.

We will continue to provide ongoing updates regarding the project and anticipate another APC Workgroup meeting in the upcoming months. We appreciate your interest and look forward to working together towards a successful and timely implementation.